

Decision 03-09-061 September 18, 2003

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking Regarding the
Implementation of the Suspension of Direct
Access Pursuant to Assembly Bill 1X and
Decision 01-09-060.

Rulemaking 02-01-011
(Filed January 9, 2002)

ORDER GRANTING PETITION TO MODIFY

By this order, we grant the petition to modify Decision (D.) 03-07-030, as filed on June 25, 2003, by San Diego Gas & Electric Company (SDG&E) relating to the implementation of the core/non-core split adopted therein. SDG&E seeks permission, on a similar basis as was granted Pacific Gas & Electric Company (PG&E) in D.03-07-030, to divide customers along the lines of its existing rate schedules, for the several reasons articulated in that Decision.

Background

In D.03-07-030, the Commission allocated the undercollection resulting from the 2.7 cents/kWh Direct Access Cost Responsibility Surcharge (DA CRS) between two broad classes, core and non-core customers (Ordering Paragraph [OP] 3). The Commission ruled that the core group consists of residential, agricultural, street lighting, and commercial customers with demand below 20 kW (Finding of Fact [FOF] 38 and 42, and OP 3), consistent with Southern

California Edison's (SCE) rate schedule.¹ However, PG&E noted that the 20 kW demarcation for this allocation does not comport with the load specifications in its current rate schedules.² Therefore, the Commission granted PG&E's request to divide customers along the lines of its existing rate schedules for core/non-core allocation purposes. As stated in D.03-07-030:

Defining the core/noncore groups by rate schedule will eliminate the need to divide current rate schedules into subsets for the funding of the DA CRS, minimizing the numbers of different pricing scenarios possible, minimizing billing system required changes, and reducing the potential for customer confusion. With these revisions the core/noncore split still accomplishes our goals by isolating smaller customers from the effects of capping the DA CRS for large customers.
(D.03-07-030 at 84.)

SDG&E indicates that its rate schedules, like those of PG&E, do not conform to the 20 kW criterion. While SDG&E's small commercial rate schedules (Schedules A and A-TC) are divided at the 20 kW threshold, its medium commercial rate schedules are available to customers with demand less than, equal to, or greater than 20 kW. For this reason, SDG&E proposes that FOF 41 and OP 5 of D.03-07-030 be modified to provide SDG&E the same treatment granted PG&E for allocating the DA CRS undercollections to core and non-core customers.

¹ In Reply Comments filed on the Proposed Decision of ALJ Pulsifer, SCE stated that its "rate schedules do match up with the 20 kW breakpoint between core/non-core customers. If the Commission decides to modify the 'core/non-core' breakpoint for PG&E, such modifications should not apply to SCE." (P. 2.)

² PG&E Comments and Reply Comments filed on the Proposed Decision of ALJ Pulsifer, pp. 4-5 and p. 1, respectively.

SDG&E's Proposed Modifications

In order to implement the changes sought in its Petition, SDG&E offers proposed modifications to the relevant cited portions of D.03-07-030 (with added text underlined), as follows:

Proposed Revision to FOF 41:

Because PG&E's and SDG&E's tariffs do not precisely (sic) correspond to (sic) the 20 kW criterion proposed under ORA's allocation, it is reasonable for PG&E and SDG&E to modify the allocations as necessary to conform to ~~its~~ their own tariff classes even though they may deviate somewhat from the 20 kW level.

Proposed Revision to OP 5:

PG&E and SDG&E shall be permitted to deviate from the 20 kW allocation separation criterion as necessary to conform to ~~its~~ their tariff schedule categories, so as not to require splitting customers within a single tariff schedule category. (OP 5.)

For purposes of implementing this modification, SDG&E defines its small commercial rate schedules (Schedules A and A-TC) as core while its medium commercial rate schedules (AD, A-TOU, AL-TOU, AL-TOU-DER, AL-TOU-CP, and AY-TOU) are defined as non-core for the purpose of allocating the DA CRS undercollections.

SDG&E states that unless its Petition is granted, SDG&E will face the several unnecessary, substantial and complex billing and other problems identified by the Commission in seeking to implement the core/noncore allocation. (D.03-07-030 at 84.) Since this narrow change affects no other party, and since SDG&E is seeking the same treatment afforded PG&E for the same reasons that such treatment was granted, SDG&E submits that, pursuant to

Rule 47(h),³ the Commission may summarily grant this Petition as “appropriate” in these unique circumstances.

Discussion

As explained in its Petition, SDG&E faces a similar situation to that of PG&E with respect to the lack of correspondence between the 20 kWh criterion adopted for defining the core/noncore demarcation as adopted in D.03-07-030. At the time that D.03-07-030 was issued, the applicability of this problem to SDG&E had not been brought to the Commission’s attention. There is no reason, however, to treat SDG&E differently from PG&E with regard to the implementation of the core/noncore allocation in this respect.

As noted by SDG&E, since the vast majority of customers and load under its medium commercial rate schedules reflect demand of 20 kW or larger, making the requested modifications to the Decision still accomplishes the Commission’s goal of separating smaller customers from larger customers for the purpose of allocating DA CRS undercollections (D.03-07-030 at 84).

In view of its straightforward and noncontroversial nature, it is not necessary to defer action on this matter pending receipt of comments, if any, in response to the Petition. Accordingly, we hereby approve SDG&E’s requested modification of D.03-07-030, as adopted in the order below.

³ Rule 47(h) allows the Commission to “... summarily deny the petition on the ground that the Commission is not persuaded to modify the decision, or take other appropriate action.” SDG&E is incorrect in arguing that Rule 47(h) allows summary approval of its petition.

Waiver of Review and Comment Period

This is an uncontested matter in which the decision grants the relief requested. Accordingly, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is being waived.

Assignment of Proceeding

Carl W. Wood and Geoffrey F. Brown are the Assigned Commissioners and Thomas R. Pulsifer is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. D.03-07-030 allocated the revenue under-collection resulting from the 2.7 cents/kWh Direct Access Cost Responsibility Surcharge (DA CRS) between two broad classes, core and non-core customers.
2. In D.03-07-030, the Commission granted PG&E's request to divide customers along the lines of its existing rate schedules for core/non-core purposes, and to this extent, to deviate from the 20 kW demarcation level otherwise authorized.
3. D.03-07-030 did not address whether or to what extent the deviation granted to PG&E in implementing the core and noncore allocation might also apply to SDG&E.
4. By its instant Petition, SDG&E indicates that its rate schedules, like those of PG&E, do not conform to the 20 kW criterion.
5. While SDG&E's small commercial rate schedules (Schedules A and A-TC) are divided at the 20 kW threshold, its medium commercial rate schedules are available to customers with demand less than, equal to, or greater than 20 kW.

6. SDG&E's Petition to Modify is intended to treat SDG&E and PG&E on a consistent basis with respect to their implementation of the core/noncore allocation adopted in D.03-07-030.

Conclusions of Law

1. There is no reason to treat SDG&E differently from PG&E with respect to the implementation of the core/noncore allocation prescribed in D.03-07-030.

2. The Petition to Modify filed by SDG&E involves a straightforward and noncontroversial matter.

3. Because SDG&E faces a similar situation to PG&E with respect to the lack of correspondence between the load specifications in its tariffs and the 20 kW demarcation adopted in D.03-07-030, good cause exists to grant SDG&E the same authority to implement the allocation for its customers long the lines of its existing tariff schedules.

4. D.03-07-030 should be modified as set forth in the order below, in response to the Petition to Modify filed by SDG&E.

5. Since this is an uncontested matter in which the decision grants the relief requested, pursuant to Pub. Util. Code § 311(g)(2), the otherwise applicable 30-day period for public review and comment is waived.

O R D E R

IT IS ORDERED that:

1. San Diego Gas & Electric Company's (SDG&E) Petition to Modify Decision (D.) 03-07-030 is hereby granted.

2. The following modification to FOF 41 of D.03-07-030 is hereby adopted (with revised text underlined):

“Because the load specifications in PG&E’s and SDG&E’s tariffs do not precisely correspond to the 20 kW demarcation proposed under ORA’s core/noncore allocation, it is reasonable for PG&E and SDG&E to modify the allocations as necessary to conform to ~~its~~ their own tariff classes even though they may deviate somewhat from the 20 kW level.”

3. The following modification to OP 5 of D. 03-07-030 is hereby adopted (with revised text underlined):

“PG&E and SDG&E shall be permitted to deviate from the 20 kW allocation separation criterion as necessary to conform to ~~its~~ their tariff schedule categories, so as not to require splitting customers within a single tariff schedule category.”

This order is effective today.

Dated September 18, 2003, at San Francisco, California.

MICHAEL R. PEEVEY
President
CARL W. WOOD
LORETTA M. LYNCH
GEOFFREY F. BROWN
SUSAN P. KENNEDY
Commissioners